

# House File 2589 - Introduced

HOUSE FILE \_\_\_\_\_  
BY COMMITTEE ON LABOR

(SUCCESSOR TO HSB 604)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to unemployment insurance tax penalties, and  
2 providing an effective date.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 5470HV 82  
5 ak/rj/8

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1 1 Section 1. Section 96.14, subsection 2, paragraph d, Code  
1 2 Supplement 2007, is amended to read as follows:  
1 3 d. A penalty shall not be less than ~~ten dollars for the~~  
~~1 4 first delinquent report or the first insufficient report not~~  
~~1 5 made sufficient within thirty days after a request to do so.~~  
1 6 The penalty shall not be less than twenty-five dollars for the  
~~1 7 second delinquent or insufficient report, and not less than~~  
~~1 8 fifty ~~thirty-five~~ dollars for each delinquent or insufficient~~  
1 9 report thereafter, until four consecutive calendar quarters of  
~~1 10 reports are timely and sufficiently filed. Interest,~~  
1 11 penalties, and cost shall be collected by the department in  
1 12 the same manner as provided by this chapter for contributions.  
1 13 Sec. 2. Section 96.14, subsection 2, Code Supplement 2007,  
1 14 is amended by adding the following new paragraph:  
1 15 NEW PARAGRAPH. ee. If any tendered payment of any amount  
1 16 due in the form of a check, draft, or money order is not  
1 17 honored when presented to a financial institution, any costs  
1 18 assessed to the department by the financial institution and a  
1 19 fee of thirty dollars shall be assessed to the employer.  
1 20 Sec. 3. Section 96.14, Code Supplement 2007, is amended by  
1 21 adding the following new subsection:  
1 22 NEW SUBSECTION. 17. EMPLOYER SUBPOENA COST AND PENALTY.  
1 23 An employer who is served with a subpoena pursuant to section  
1 24 96.11, subsection 7, for the investigation of an employer  
1 25 liability issue, to complete audits, to secure reports, or to  
1 26 assess contributions shall pay all costs associated with the  
1 27 subpoena, including service fees and court costs. The  
1 28 department shall penalize an employer in the amount of two  
1 29 hundred fifty dollars if that employer refused to honor a  
1 30 subpoena or negligently failed to honor a subpoena. The cost  
1 31 of the subpoena and any penalty shall be collected in the  
1 32 manner provided in section 96.14, subsection 3.  
1 33 Sec. 4. EFFECTIVE DATE. This Act takes effect January 1,  
1 34 2009.

## EXPLANATION

2 1 This bill relates to the unemployment insurance tax law and  
2 2 creates a \$35 penalty for each delinquent or insufficient wage  
2 3 report from an employer. The bill mandates a \$30 fee and  
2 4 costs to be paid by an employer who tenders a faulty  
2 5 unemployment contribution payment to the department of  
2 6 workforce development.  
2 7 An employer who is served with a subpoena pursuant to Code  
2 8 section 96.11, subsection 7, relating to administration of the  
2 9 unemployment insurance law, is responsible for paying all  
2 10 service fee and court costs associated with the subpoena.  
2 11 Refusal or negligent failure to honor the subpoena shall  
2 12 result in a penalty of \$250 by the department.  
2 13 The bill takes effect on January 1, 2009.  
2 14 LSB 5470HV 82  
2 15 ak/rj/8